Booklet 1 of 2

A Work Project, presented as part of the requirements for the Award of Masters Degree in Management from NOVA School of Business and Economics

Continente Choose&Drive

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0. Executive Summary

When I first took up this project the goal was to conceive a communication strategy for Continente. My first impression was that the biggest drawback of Continente was their localization and lack of convenience. After carrying out a market research I confirmed this theory and began strategizing against it. Although my initial brainstorm varies in target and objective, I've realized that all the solutions focused at some point, on the Continente's convenience problem.

Finally, I have decided to focus on the "The single young shoppers" target (young people who have moved out of their parents' house either by need of independence or to be nearer to university/work). I believe this segment to be extremely important, not just because of their present value but mostly to attract the youngest generations to the brand, and to create a bond and loyalty with them right now.

My solution, "The Continente Choose&Drive" where the consumer can shop without leaving the car through a drive-in system, intends to minimize the gap between the target and the brand, as well as boost their image of innovation and consumer-focused.

Keywords: Continente, Convenience, "Single Young Shoppers", Drive-in

1. The Portuguese Context

1.1 Economic Situation

The published projections point to a contraction of the Portuguese economy in 2012, followed by a virtual stagnation in 2013 with unemployment rate expected to rise to 13.6 %. This economic downturn, which is unprecedented in the Portuguese economy, reflects a significant drop in domestic demand, both public and private, within a framework of basic adjustment of macroeconomic imbalances.[1]

1.2 Retail Market[2] (Table 1)

Business Volume

With regard to the business volume (appendix 1.1) of this market there is a clear discrepancy between the two main competitors (Continente and Pingo Doce-which I will call PD from now on) and the rest of the players. And while the Continente brand is the one with the biggest volume in the market, (with volume of 3555 million Euros) PD (with less 103 million Euros) shows the highest growing rate (11% against the 5% of Continente).

Number of Stores

In terms of the number of stores (appendix 1.2), there was a slowdown in the growth of the number of stores compared with past years. Minipreço and PD have the largest number of stores (with 524 and 362 respectively).

Total Size of Stores

Based on the analysis of the total size of stores (the sum of size of all the Brand's stores), Continente and PD appear as clear leaders (with 516 thousands square meters and 421 respectively) although it is Auchan and Minipreço that display the highest growing rate (with 5%) when compared to 2009 (appendix 1.4).

Number of Workers

Finally, in terms of Human Resources (appendix 1.3), Continente and PD appear again as market leaders with more than twice the labor force of the 3rd brand in this department (Auchan).

The gap between PD and Continente is small (24152 working for PD and 21263 for Continente), however the growing rate is relevantly different (13% against 4% respectively).

	Nº of Stores	Nº of Employees	Business Volume	Growth
continente	170	21263	3555	5%
pingo doce	362	24152	3453	11%
minipreço	524	9210	903	1%
Auchan	32	4591	1601	7%
LIDL	227	4003	1199	-1%

Table 1 – The Market

1.3 Trends

When analyzing upcoming Trends we need to take into account the economic and social environment.

1.3.1 Savings

Although this will always be an issue, in this context of economic fear and that the retail market is facing, some adversities like the heavier fiscal charge as well as consumers' lower income and purchasing power may arouse more strongly than before. Price sensitivity is now higher than ever. Now more than ever, consumers are looking for a way to cut costs.

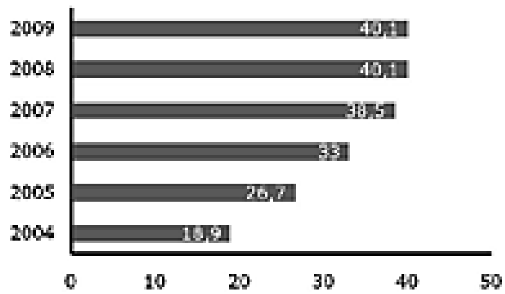

Table 2 - Percentage of Own Brand Sales (PD)
Source: **Statement of accounts of Jerónimo Martins**

This leads to the higher consuming of the so called "white Brands" [3](Generic brands of consumer products, offered by the supermarket characterized by the absence of a brand name) as well as a more frequent trip to the store rather than the "once a month-shopping" of before (studies point out consumers travel 0,7% more often to the supermarket but buy 2.9% less)[4].

1.3.2 Cocooning

Cocooning refers to the trend that sees individuals socializing less and retreating into their homes more. The growing of this trend lies mainly on the economic environment (the unemployment rate in Portugal is predicted to surpass 13% in 2012). This couple with the growing comfort of house staying (due to the technologic advances) represents a trend that needs to be taken into account.

1.3.3 Technology

More specifically, online buying. With the widespread acceptance and use of new technologies such as smart phones and internet, people value more and more comfortable buying. Buying your milk and pasta on-line through your computer or phone at home is an ever increasing reality.

Specifically, in the food business, technology is also playing an important role. Brands like MacDonald's are increasing their efficiency and service quality, by applying modern technology, allowing consumers to order their meal technologically[5].

2. Continente World

2.1 Continente's Background

The brand has its origins in France in 1972 ("Continent"), the group Promodès was established in Portugal in the early 80's introducing the concept of Hypermarket in the country. At that time Sonae, owned a supermarkets chain called Modelo. The two companies established a partnership that would become Modelo Continente S.A. The adoption of Continente under the "franchising" banner allowed Sonae to purchase the "Know How" of Promodès and in 1985 it opened the first hypermarket located in Matosinhos in Portugal.

In 2004, the Carrefour group exited the capital of Modelo & Continente S.A. and Sonae ended up gaining freely the exclusive rights to the trademark "Continent".

At the end of 2005, the brand underwent in a depth renovation, which changed the brand philosophy, the colors (which is now only Red) and the lettering. The symbol has become a stylized "C" as a target. The whole "rebranding" work was entrusted to the agency EuroRSCG.[6]

More recently in 2011 Sonae announced the merger between Continente and Modelo believing that "we are stronger under just one brand" choosing the name Continente to represent both.[7]

2.2 Market Research

In order to validate my research and better understand the market, the consumer, the brand and its limitations it is important to carry out surveys that will provide me with the necessary data that will help me strategize, improving what is wrong and better marketing what is right. By understanding consumers' perception about the market and the brand we are able to sense their needs and wants, attempting to fulfill them and gain their loyalty.

Over the last weeks we have started the first stage of this market research by conducting an on-line survey (appendix 10) addressed to 134 people in the 20 to 60 age range (42% from 20 to 29,12% from 30 to 39,23% from 40 to 49, 22% from 50 to 59 and 1% over 60), living in the largest urban centers (58% of the enquired lived were from Lisbon, while 28% where from Porto and 9% from Setúbal), the majority of whom have a university degree (91%). The answers have confirmed my original ideas of the market and the brand and stated Continente and PD as the most popular and visited brands.

After a closer analysis (appendix 2.1) I was able to conclude that the brands were similarly beloved (41% choose PD as their favorite supermarket while 42% choose either Continente (34%), Continente Bom Dia (4%) or Continente Modelo(4%)). Moreover, people tend to spend more in each trip to Continente - 35% of Continente's consumers claimed to spend more than 50 euros/per visit against 16% of PD's consumers (see appendix 2.2 for more detailed information). Consumers also differentiated in their perception of the major brands, while Continente was perceived for its variety, PD was perceived for its convenience (appendix 2.3). Market wise consumers choose price, variety, quality and convenience as the most important features in a supermarket and while 50% of surveyed claimed to use the discount card of each brand 'frequently', they showed very little awareness or use of other services (On-line shopping – only 7% say to use it frequently and 12% rarely, Home Delivery –5% claim to use it frequently and 15% rarely Take-away - 10% state to use it frequently and 34% rarely or smart-phones application with only 1% using it regularly+ and 2% rarely) – see appendix 2.4.

Brand wise, people associated TV and the stores themselves as their biggest source of information concerning Continente, although only 24% claimed to be affected by their advertising (appendix 2.5).

2.3 SWOT Analysis

Strengths

- Market Leaders- With 25,4 %[8] of market share, Continente represents the biggest authority in the retail market
- Huge Bargain Power- This allows them to get great prices from their suppliers
- Partnerships with big Companies –Like EDP, Galp or ZON
- Variety
- Highest investment in Advertising (see appendix 3)

Weaknesses

- Stores are too big (making consumers spend more time) - What was once seen as an advantage may now be affecting Continente's business negatively. Nowadays people tend to visit the store more often as opposed to only making once-a-month shopping. Continente may be perceived as too big a store for the daily quick grocery shopping.
- Stores less profitable than the competitor's.[9] According to recent studies, PD has surpassed profitability per square meter, showing a growth of 11% from 2009 to 2010 (from 7409 Euros to 8206 Euros), while the Continente's brand stated a growth percentage of 3%. Moreover while the company still shows a higher market share, its growing rate in 2010 is smaller than the one of its biggest competitor (a growth of 5% against a growth of 11% from PD).
- Inefficient Advertising - While the biggest spender in advertising the brand is unable to match the recognition achieved by its competitor showing some signs of inefficiency in their advertising[10].
- Smaller number of stores- When compared to the competition the 170 stores of Continente stores may seem too small a number (PD owns 362 and Mini Preço 524). This seems to imply that there is still some distance between the stores and the majority of its clients.
- Dumping- Recent news concerning practice of dumping by the Brand may negatively affect its image.[11]
- Losing Focus by entering new markets[12]- The brand is expected to enter the African (Angolan) market in 2013, which may imply losing focus on the national market, which is now as competitive as ever.

Opportunities

- Patriotism- In the current situation of crisis patriotism gains a new importance and Continente may take advantage of this increasing nationalist feeling (gaining extra status due to the “unpatriotic” move of Jerónimo Martins (owner of PD) to Holland in order to gain tax benefits[13])
- On-line Boom- Taking into account the ever increasing importance of technology and convenience, the website (and all digital platforms) needs to be well prepared for this trend and be able to respond to it.
- Cocooning – Due to many variables (be it greater house comfort, or even the economic crisis and the consequent growth in unemployment) the cocooning trend has been increasing over the past few years. With people spending more and more time at home it is important for Continente not to overlook this trend and try to find answers for it

Threats

- Economic Crisis- Due to the economic crisis the company may see its profit decrease both because of the loss of costumers’ wealth and because of higher taxes.
- Gas Prices[14]- On account of the location and number of stores problem, people tend to use the car more to visit Continente’s stores (both because of larger shopping and because of the distance between their home and the store) – appendix 4.

2.4 TOWS

Through a TOWS matrix it is easier to strategize and eventually come up with efficient solutions and suggestions for the brand. The matrix is quite simple, it is divided in four quadrants and each one represents a connection between internal and external forces.

This Matrix points to the direction and strategy I believe should be followed to boost the Brand: Increase its convenience!

TOWS	**Strengths** 1. Huge Variety 2. Market Leaders 3. Strong Partnerships	**Weaknesses** 1. Stores too big for quick shopping 2. Smaller number of stores than competition
Opportunities 1. On-line & Technologic 2. Cocooning 3. More often Consume	Create faster and more **convenient** shopping experience (1)	Improve use of on-line services to increase **convenience** (2)
Threats 1. Economic Crisis 2. Gas Prices 3. Competitors Growth	Create a more **convenient** card that can be used in all markets (3)	Create a smaller cheaper version of Continente more **convenient** to the consumer (4)

Table 2 - TOWS

(1)1st Quadrant (Enhance your strengths by using your opportunities)

- Use the brand's variety to create appealing baskets
- Seize the trend of consuming more often by creating faster and more efficient shopping experience

(3)2nd Quadrant (Minimize your threats by using your strengths)

- Use your strong partnerships to offer consumers more than just Continente's discounts

(2)3rd Quadrant (Use your opportunities to overcome your weaknesses)

- By getting on-board with the technologic trend , the brand can overcome its location and structure problems

(4)4th Quadrant (Overcome your weaknesses while minimizing your threats)

- Considering the distance weakness, and the need for a car (and therefore gas) that is associated to it, setting up mini-markets in gas station areas would minimize both issues.

3. Strategy

Based on the research described above it is plausible to say that the main issue of Continente's lies with its convenience and that, obviously the most distant consumers from the brand are the ones that value convenience the most – "the single young shoppers" (90.3% of the enquired claimed to either value or value a lot convenience, higher than any other characteristic – see appendix 5).

In the last few years I have had the opportunity of coming into contact with their habits and patterns of life and have felt the gap between these new generations of shoppers and the Continente Brand (in the category of people from 20 to 29 on our survey, only 28% claimed Continente, Continente Modelo or Continente Bom-Dia as their favorite brand against a smashing 54% of consumers who choose PD as theirs – see appendix 6 for detailed information).

Given a second a more specific survey to young people living away from their parents' house, I was able to gather 60 responses from which I extracted their needs, and their shopping pattern (appendix 12).

Who are they?

I’ll call this specific segment the “Single Young Shoppers”. These consumer are usually young, living for the first time without their parents, and although may be sharing a house with some friends or other individuals they are for the 1st time shopping only for themselves.

These consumers have left their parents’ house either because they are studying/ working far from the residence or because they are eager for independence. They start to feel the need to live their own lives at the pace they want and with the schedules they want.

What do they value? What needs are not being satisfied?

For most of these “Single Young Shoppers” it is the first time they experience shopping at a supermarket, or at least alone. Until then, normally they relied on their parents to do the shopping for them. When this situation changes and they start doing their own shopping, they quickly become reluctant to spending time and energy getting out of the house, driving to the supermarket, parking the car, walking through the aisles, collecting the items, standing in line at the cashier, taking the groceries back to their car and driving back home. The whole routine is very unattractive for the “single young shoppers”. Given their busy lives they seek the fastest and easiest way to do their shopping. They want to be able to leave their work late at night, exhausted and tired and have a different and more convenient way to buy their shampoo, pasta, toothbrush or eggs in a fast and easy way, if possible without even leaving the car and be able to enjoy those products that very night.

What products do they want?

They want basic products, food, hygiene, cleaning products. The items regularly required for housekeeping, cooking, etc. They are not interested in buying a big turkey, a huge salmon or any specific strawberry flavored icing for a cake. The majority of these targets do not take a lot of time to prepare elaborate meals.

Based on my research (see appendix 7) I have realized that the main offer should be distributed across 2 main areas: Food & Drinks and Hygienic Products.

The products available will have to be, mainly products of fast consumption (89.74% of the inquired claimed to bought rice and pasta, 82.05% bread,74.36% milk,71.79% cereals, 71.79% eggs, 53.85% yogurts, etc.) and hygienic products (toilet paper – 76.92%, shampoo – 64.10%, napkins – 56.41%, soaps – 41.03%, etc.).

Why are they important for Continente?

I believe this is a very important segment for Continente, not only for the value they could have for Continente at present but mainly for their potential value (By 2017 it's predicted that the generation with the highest spending power will be the generation born between the 80's and the 90's) [15]. By being the first hypermarket to open in 1985 Continente was able to immediately capture a great number of loyal consumers; however, in 2012 there is a need to reconnect with the youngest generation and future big consumers (33.33% claimed they never visit the store and 38.46% stated they rarely did- observe appendix 8) . By satisfying the needs of this segment, Continente will be increasing their proximity and already creating a bound with these new-born consumers.

How can we solve this gap between the market and the needs of this segment?

Continente has already two solutions for this segment: Home delivery and the Continente Drive (where you order on-line and pick it up at the store, which service is currently only available at the Colombo Shopping Center).

However these solutions are not enough (see appendix 9): On the one hand, the complexity and confusion of the on-line platform is far from convenient for someone who just needs some pasta and sausages for the weekend, on the other hand both these solutions neglect the fact that these consumers are independent for the first time in their lives and do not want to be bound to neither schedules nor deadlines. These solutions also take away the impulse buying from these consumers since they do not plan ahead when and where they will have dinner. They can be at home one minute and leave to go out the next.

Thus, the solution must be available when they need it, usually after work. In order to gain this segment's loyalty, Continente must be ready to provide these consumers with what they need in a fast, quick and practical way, when they want any specific item.

They need **Choose&Drive Continente**.

4. Choose&Drive Continente (C&D Continente)

4.1 Marketing Mix

4.1.1 Product

Choose&Drive Continente is very much like any drive-in at a fast food restaurant.

At Choose&Drive Continente, the consumers would be able to reach the store and if desired could shop directly at the Drive-in instead of the typical in-store shopping, thus all the shopping would be done without having to get out of the car.

This service makes it possible to satisfy the needs of our target group entirely. While not confined to time and place, consumers would be able to acquire their basic and most immediately needed items without losing a lot of time or energy.

The typical "postponed Shopping" that is so characteristic of this segment due to tiredness and demotivation, is minimized with Choose&Drive Continente and it is a practical and easy shopping system.

Convenience, one of the most valued characteristics for this target, would be highly increased, which would therefore boost their loyalty and appreciation for the Brand.

4.1.2 Placement

In terms of distribution it is important to understand consumers' needs. The goal of Choose&Drive Continente is to be a solution for young workers who want to make their daily/weekly shopping without much trouble. To achieve this Choose&Drive Continente would have to be attached to Continentes near either the "Working" areas or Residential ones. It is also important to open Choose&Drive Continente where there is a larger concentration of the target (mainly due to the large enterprises existent on the area).

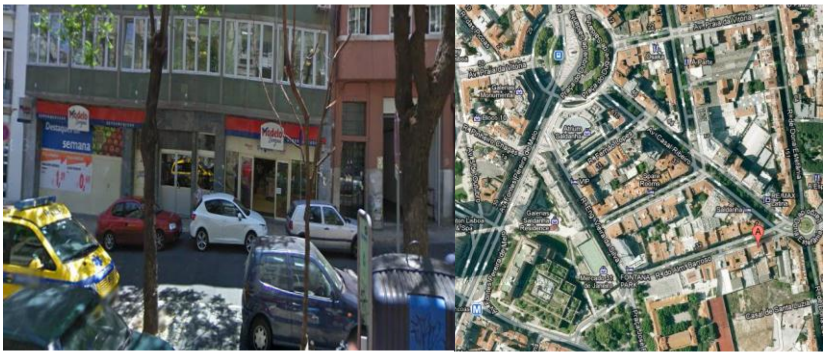

Figure 1 – Modelo – Continente at Rua Almirante Barroso 9, 1000 Lisbon

For the reasons above I've narrowed our solution to the Modelo-Continente at Rua Almirante Barroso 9, 1000 Lisbon (figure 1). This is an excellent location since, to begin with, it is very close to the center of Saldanha (where a lot of young people begin their professional careers).

Concerning the convenience-variety ratio, of course in order to increase efficiency and the real objective of the service (boosting convenience) variety must be neglected (see figure 2).

Figure 2 –C&D Continente positioning

4.1.3 Process

The process would consist of **two stages**: Order&Payment and Delivery.

At the first stage the consumer would be faced with an electronic touch device with 3 main sectors: Food and Drinks, Cleaning Products and Hygiene.

In each sector consumers would have a restricted set of items each one with 3 possible choices (the cheapest, best-sellers, and the Continente brand). In order to reduce time spent per consumer and therefore the waiting time, each costumer would only be able to buy up to 10 items. The payment would be possible thought debit/credit card right after the confirmation of the request in the machine. At the end of this stage, consumers would be given a code (on a small talon) that would later be used to pick up their shopping in the following window.

It is also important to reorganize the schedules in order to better serve our consumers. Establishing a night schedule (from 6 to 12pm) would increase the personal costs (since the night shifts are often more expensive) but at the same time it would significantly increase our attendance.

4.1.4 People

In order to provide a good service I believe that 6 people would be needed full time between 6 and 12 p.m. divided by 4 sectors: Food & Drinks; Cleaning Products (and possible malfunctions); Hygiene and Delivery (observe table 3).

Sector	Number of people
Food & Drinks	3
Cleaning & Malfunctions	1
Hygiene	1
Delivery	1
Total	6

Table 3 – Number of people

In order to better serve our consumers the personnel must be efficient, quick and sharp. Choose&Drive employees must be able to quickly guide themselves through the aisles in order to waste the less amount of time on getting the products and delivering them to the consumer. This could be optimized by means of a fast workshop were a map of the items would be displayed and techniques taught on how to better communicate between co-workers in order to minimize waste of time.

Since Food & Drinks are the most requested products, this section will require 3 people to get the items faster and more efficiently.

The employee assigned to the Cleaning items (where the demand is lower) would also be the employee designated to fix malfunctions and would therefore need to have some basic knowledge in that area.

Payment: The payment will be restricted to credit/debit card only. It will be done thought the machine.

4.1.5 Price

Based on my survey (see appendix 10), I can safely assume that an additional 5% could be added to the price, with 62% stating they would be willing to pay at least 5% more to enjoy this service (38% claimed they would pay an extra 5%, 18% stated they would pay an extra 10% and 5% claimed they would be willing to pay an extra 15% for this service). This would help the construction of the new facilities (the street, the window and the ordering machine) as well as support the promotion costs.

Given our target's profile, the availability of a fast, efficient, convenient shopping system would clearly be worth the extra price of the products; also this innovative system does not have any competition that would force Continente to lower the price.

4.1.6 Physical Evidence

One of the main issues in this service is the time of the process. By creating a drive through service there is the risk of increasing impatient on the consumer, maximized by the late hour.

Taken this into concern the physical evidence must be as relaxed as possible, with calm personal and relaxing music[16]. Also entertaining features (such as reporting the news on a screen) could also keep the consumer entertained and reduce its impatience.

4.1.7 Promotion

Since the service offered is new and unknown it is important to strategize two different stages of this promotion and advertising campaign: A 1st stage to **create hype and to create awareness** of this upcoming service, a 2nd one to **show consumers how to get there and boost its qualities.**

1º stage: Create Hype

Given the nature and age of the segment we are trying to reach, the advertising of the service should start by following the online trend (rather than on TV channels for example). Advertising on the most seen Portuguese website[17] or launching a viral video displayed on famous social media (Facebook, YouTube, etc.) is a great way to start introducing an unknown product and raise consumers' curiosity.

Also a big billboard (Continente already has the know-how needed to be successful since outdoor promotion is the 3rd most invested on, after TV and media) [18] card could count down the days until the opening of the service as well as providing information on how to get there.

2º stage: Consolidating and Boosting

Given the nature of the product (service) it is important to appeal to the impulsive act. The big billboard once used to display an anxious countdown could be renewed after the grand opening, turning into a quick explanation of Choose&Drive Continente, and more important how near it is (this would be a great appealer for the tired people leaving work promoting their impulsive buying).

After reaching the first consumers, hopefully the service would be innovative and efficient enough to create mouth-to-mouth advertising.

4.2 Objectives & Issues

4.2.1 Objectives

Given all of the above, the objectives and goals of implementing this new system is to increase the shopping options for convenience searchers, expecting to obtain the loyalty from a very important segment (the young adults beginning their careers, who just shop only for themselves rather than for a family) that is now so distant and unattached from the brand. As mentioned before a consumer is much harder to "turn" from one brand to another so it is much easier to become the consumers brand in the beginning of their sopping life than rather trying to "convert" them further ahead.

None the less it is still expected to "convert" some new consumers. People already shopping in PD or Mini-Preço mostly because of its convenience appeal may very likely embrace this new method of shopping.

Apart from of the more quantitative objectives, the implementation of this system has also the implicit objective of increasing the perception of the brand as innovative, young and close to their consumer. By doing so, this would aid to renew the brand and make it more easily accepted and embraced by the younger generations.

4.2.2 Issues

Despite the evident value and advantages of the brand there are still some issues that need to be taken into account. In this next table (table 4) I've stated the main issues and also how to better overcome them.

Issue	Why is it an Issue?	How to overcome/minimize it?
Waiting time in Line / impatience	The fact that people are served one at a time (at least in this first pilot test in Saldanha) may create some traffic and rather longue queues. This can create impatience in our consumers and destroy the image of convenience and quickness the service is trying to convey for the brand.	Being the objective of this service exactly to overcome the time waste and the low convenience of the brand right now, this issue is being taken very seriously. For once this service will only allow consumers to buy up to 10 products so that this will widely decrease the time per costumer. Also apart from actually decreasing time, it is important to decrease the perception of time spent in the queue. This will be done by placing a screen displaying news or entertaining programs in order to distract the consumers
Traffic	Connected to the previous point, the service may create traffic and disturb the street traffic.	This as to be taken into account. Instead of a straight line, it's important that the street to the ordering machine is made in such a way it can gather the highest number of cars.
Implementation	The fact that some restructuration has to be made in the store in order to be available for the consumer to access to the service may seem like a possible issue. In order for the service to be effective a new street would have to be created with enough length to not disturb the normal traffic.	Even though this may seem problematic I believe the market power and the strength of the brand could quickly overcome this issue. Also the cost associated with this initiative do not represent a significant risk for a brand the size of Continente
Awareness/Knowledge of this new service	Due to the innovation of this service, there could be some issue concerning awareness and trust in the service	Despite the fact that this service is new to the Retail Market, this younger target group is familiar with the drive through concept (mainly from the fast food market). Also the age of the target makes them eager to embrace innovation and with the right advertising (being Continente already a big spender in this) this issue should be easily overcome.

Table 4 – Main Issues

5. Next Steps

After the implementation done in Saldanha it is important to know what will be the next steps. After 12 months it would be important to analyze the service success either by market research or by data analyzes.

Market Research

In the market research it’s important to acknowledge:

- The satisfaction level of the new consumers
- What could be changed
- Perception on the price
- Perception on the quality of the service
- Perception of the Brand as a hole

Data Analyzes

In a more factual approach it’s important to register facts as

- Sales
- Profit
- % of cannibalism
- Market Share
- Nº of costumers

After the evaluation is made and if a successful response is given by it, the pilot Choose&Drive is able to expand to other locations, create a larger line (where for example there could be 2 cars ordering at the same time) or even create a Choose&Drive own store where only this service would be offered.

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Booklet 2 of 2

A Work Project, presented as part of the requirements for the Award of Masters Degree in Management from NOVA School of Business and Economics

Continente Choose&Drive

Pedro Letteri Sepúlveda de Castelbranco

Student number 802

A project carried out on the Management Course, under the supervision of:

Professor Luísa Agante

4th June 2012

Index

Appendices

Appendix 1 – Situation Analysis – Retail Market

Appendix 1.1 - Business Volume

		2010	2009	2010 vs 2009
1	Continente	3.555	3.380	5%
2	Pingo Doce	3.453	3.112	11%
3	Auchan	1.601	1.501	7%
4	Lidl *	1.199	1.211	-1%
5	Minipreço	903	897	1%
6	PontoFresco	49	49	1%
7	Apolónia	30	30	-2%
8	SuperSol	11	16	-35%
9	NOVO HORIZONTE	7	8	-11%
10	SELECÇÃO	3	3	2%

Appendix 1.2 – Number of Stores

		2010	2009	2010 vs 2009
1	Minipreço	524	506	4%
2	Pingo Doce	362	356	2%
3	Lidl	227	223	2%
4	Continente	170	164	4%
5	Auchan	32	31	3%

Appendix 1.3 – Number of employees

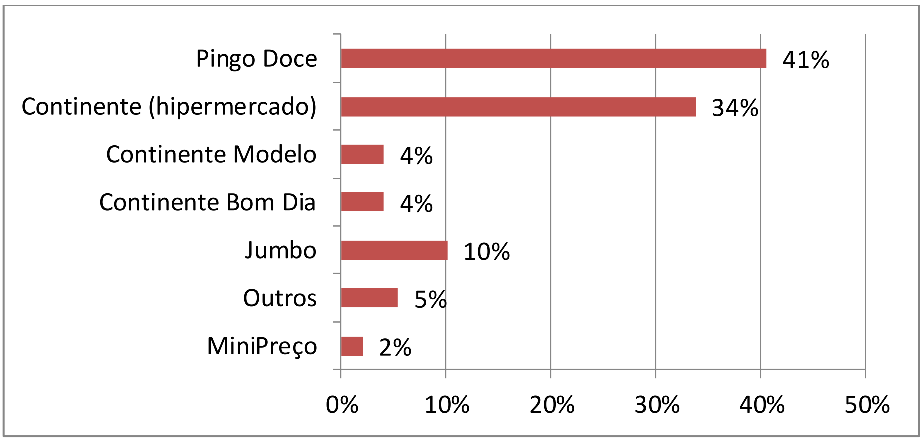
		2010	2009	2010 vs 2009
1	Pingo Doce	24.152	21.429	13%
2	Continente	21.263	20.465	4%
3	Auchan	9.210	9.378	-2%
4	Lidl	4.591	4.748	-3%
5	Minipreço	4.003	4.034	-1%

Appendix 1.4 – Size of stores (in average, by square meter)

		2010	2009	2010 vs 2009
1	Continente	516	502	3%
2	Pingo Doce	421	420	0%
3	Lidl	229	224	2%
4	Auchan	217	206	5%
5	Minipreço	200	191	5%

Appendix 2 – Market research (1) results

Appendix 2.1- Supermarket's preference



Appendix2.2 – Spending Habits

	Continente	Pingo Doce	Continente	Pingo Doce
0	27	19	18,2%	12,8%
0-20	30	50	20,3%	33,8%
20-50	39	56	26,4%	37,8%
50-100	30	20	20,3%	13,5%
mais de 100	22	3	14,9%	2,0%

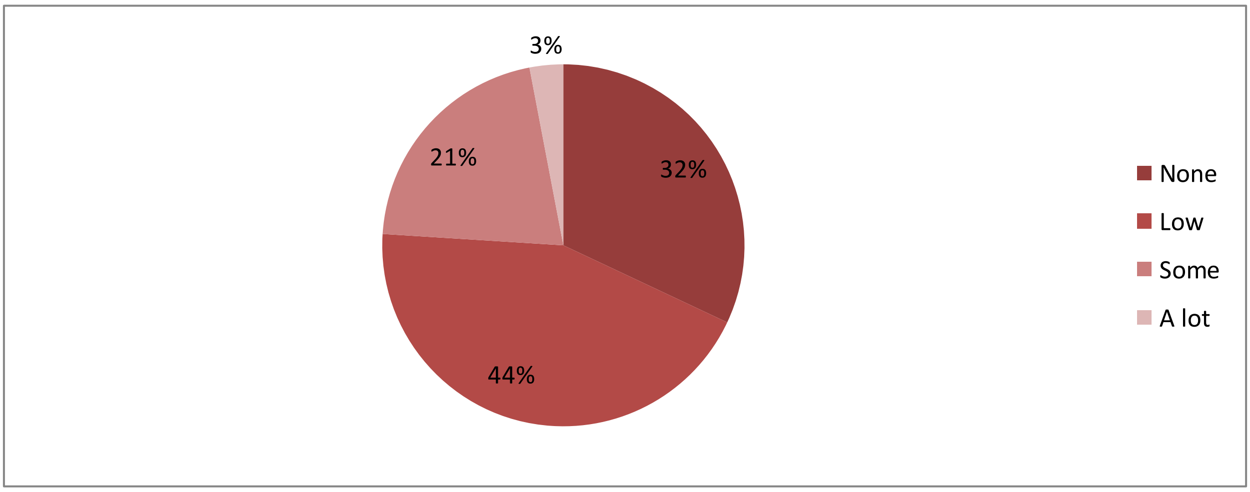
Appendix 2.3 – Associated characteristics

	Continente	Pingo Doce
Low Prices	7%	20%
Product Quality	22%	27%
Convinience	15%	44%
Variety	38%	5%
Promotions	16%	3%

Appendix 2.4 – Services Usage

	Never	Would if the service was better	Rarely	Frequently	Not-known
On-line Shopping	63%	15%	12%	7%	2%
Discount Card	26%	3%	18%	52%	0%
Home-Delivery	72%	5%	15%	5%	1%
Take-Away	47%	7%	34%	10%	1%
Smartphones	80%	7%	2%	1%	9%

Appendix 2.5 – How much does Continente's advertising influences your choice?



Appendix 3 – Top 20 Advertisers (Share of Voice in %) – November 2011

Top 20 Anunciantes - Share of Voice (em %)
Novembro de 2011

	SOV (total top 20)	SOV (total pub)
MODELO CONTINENTE HIPERMERCADOS SA	13.8	4.8
ZON MULTIMEDIA	7.8	2.7
OPTIMUS TELECOMUNICACOES SA	7.8	2.7
L'OREAL-PORTUGAL LDA	7.1	2.5
PUIG	6.5	2.3
GRUPO CAIXA GERAL DE DEPOSITOS	5.9	2.1
FERRERO IBERICA SA	5.5	1.9
TELECOMUNICACOES MOVEIS NACIONAIS	5.5	1.9
PROCTER & GAMBLE	5.5	1.9
SOC.PONTO VERDE	3.6	1.3
WORTEN-SONAE SR	3.4	1.2
TOYS'R'US	3.3	1.1
LACTOGAL-PROD.ALIMENTARES SA	3.2	1.1
PORTUGAL TELECOM	3.2	1.1
UNILEVER-JM	3.2	1.1
PINGO DOCE-DISTRIB.ALIMENTAR SA	3.2	1.1
MATTEL PORTUGAL	3.1	1.1
VODAFONE TELECEL-COMUN.PESSOAIS SA	3.0	1.1
RECKITT BENCKISER	2.8	1.0
SONY COMPUTER ENTERTAINMENT PORTUGAL	2.7	0.9
Total	**100.0**	**35.1**

Fonte: MediaMonitor, MMW/Admonitor

Appendix 4 - Evolution of Gasoline 95 prices

Average Value	Component			
Date	PST	ISP+Out.	IVA	PVP
28-05-2012	0,746	0,584	0,306	1,637
21-05-2012	0,746	0,584	0,306	1,636
14-05-2012	0,758	0,584	0,309	1,651
07-05-2012	0,770	0,584	0,312	1,666
30-05-2011	0,685	0,583	0,292	1,560
23-05-2011	0,698	0,583	0,295	1,575
16-05-2011	0,718	0,583	0,299	1,600
09-05-2011	0,723	0,583	0,300	1,606
02-05-2011	0,723	0,583	0,300	1,606
31-05-2010	0,562	0,583	0,229	1,374
24-05-2010	0,580	0,583	0,233	1,395
17-05-2010	0,586	0,583	0,234	1,403
10-05-2010	0,589	0,583	0,234	1,406
03-05-2010	0,587	0,583	0,234	1,404
Average	0,676	0,583	0,277	1,537
Gasóleo de Aquecimento: 23% (Lei nº.64-B/2011 de 30/12 - Orçamento de Estado 2012)				

Appendix 5 – Preference scale

[Convenience]	Value very little	Value little	Indiferent	Value	Value a lot	
20-29	1,6%	3,2%	4,8%	38,7%	51,6%	90,3%
[Products´quality]	Value very little	Value little	Indiferent	Value	Value a lot	
20-29	1,6%	0,0%	11,3%	50,0%	37,1%	87,1%
[Variety]	Value very little	Value little	Indiferent	Value	Value a lot	
20-29	1,6%	14,5%	12,9%	40,3%	30,6%	71,0%
[Hábits]	Value very little	Value little	Indiferent	Value	Value a lot	
20-29	1,6%	16,1%	12,9%	46,8%	22,6%	69,4%
[Services´quality]	Value very little	Value little	Indiferent	Value	Value a lot	
20-29	3,2%	12,9%	19,4%	48,4%	16,1%	64,5%
[Image]	Value very little	Value little	Indiferent	Value	Value a lot	
20-29	4,8%	9,7%	25,8%	53,2%	6,5%	59,7%
[Promotions]	Value very little	Value little	Indiferent	Value	Value a lot	
20-29	4,8%	21,0%	27,4%	35,5%	11,3%	46,8%

Appendix 6 – Preference by age

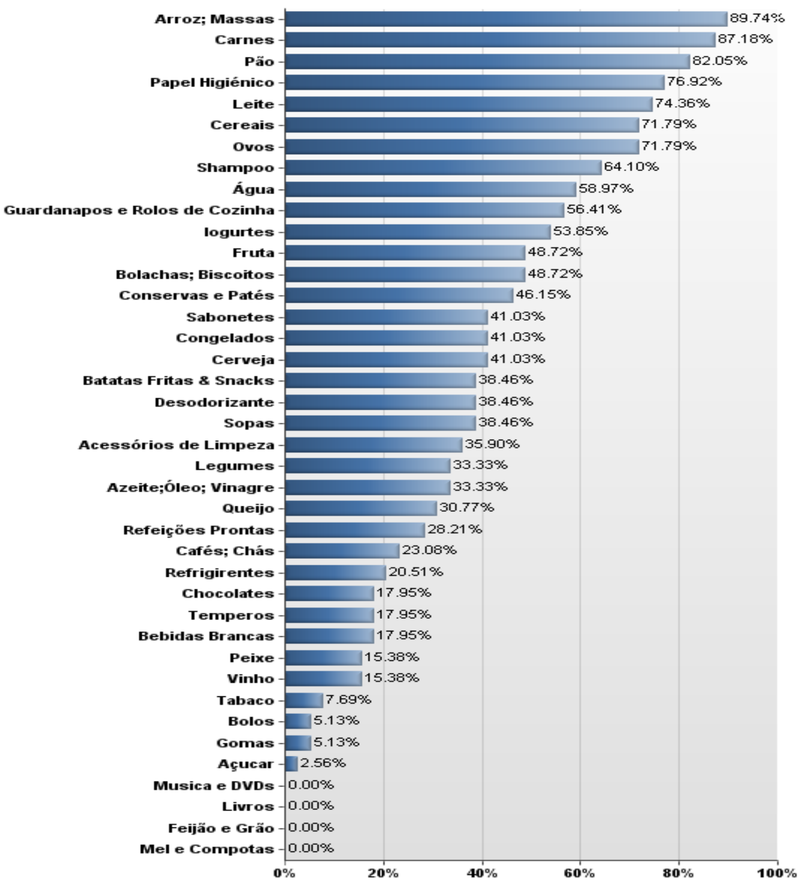
Appendix 6.1 – Preference by age (absolute value)

	Continente (hipermercado)	Continente Modelo	Continente Bom Dia	Pingo Doce	Jumbo	MiniPreço	Outros	Total
20-29	16	1	1	33	8	2	1	62
30-39	8	2	0	4	1	1	2	18
40-49	9	2	2	12	5	0	4	34
50-59	16	1	3	11	1	0	1	33
>60	1	0	0	0	0	0	0	1
Total	50	6	6	60	15	3	8	148

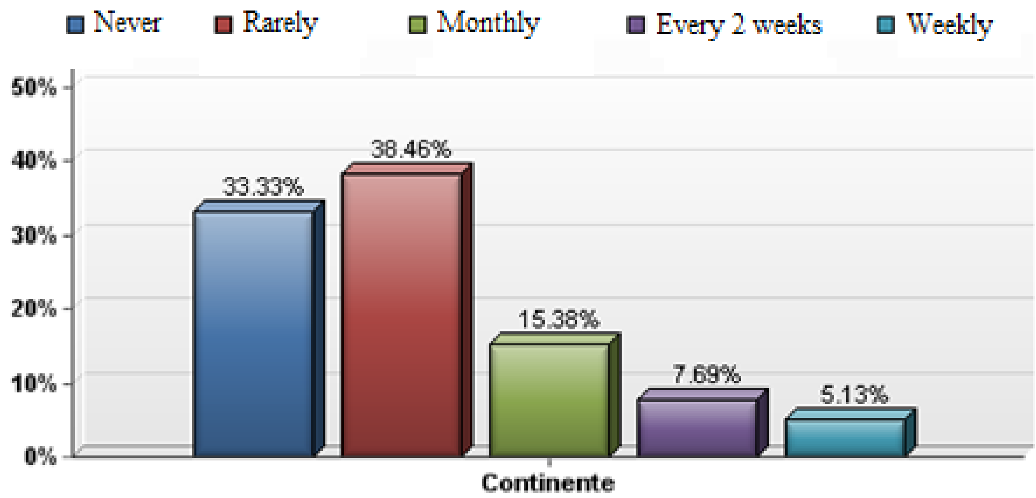
Appendix 6.2 – Preference by age (percentage)

	Continente (hipermercado)	Continente Modelo	Continente Bom Dia	Pingo Doce	Jumbo	MiniPreço	Outros
20-29	24,59%	1,64%	1,64%	**54,10%**	13,11%	3,28%	1,64%
30-39	**44,4%**	11,1%	0,0%	22,2%	5,6%	5,6%	11,1%
40-49	26,5%	5,9%	5,9%	**35,3%**	14,7%	0,0%	11,8%
50-59	**48,5%**	3,0%	9,1%	33,3%	3,0%	0,0%	3,0%
>60	100,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

Appendix 7 – Products bought by "Sinlge Young Shoppers"



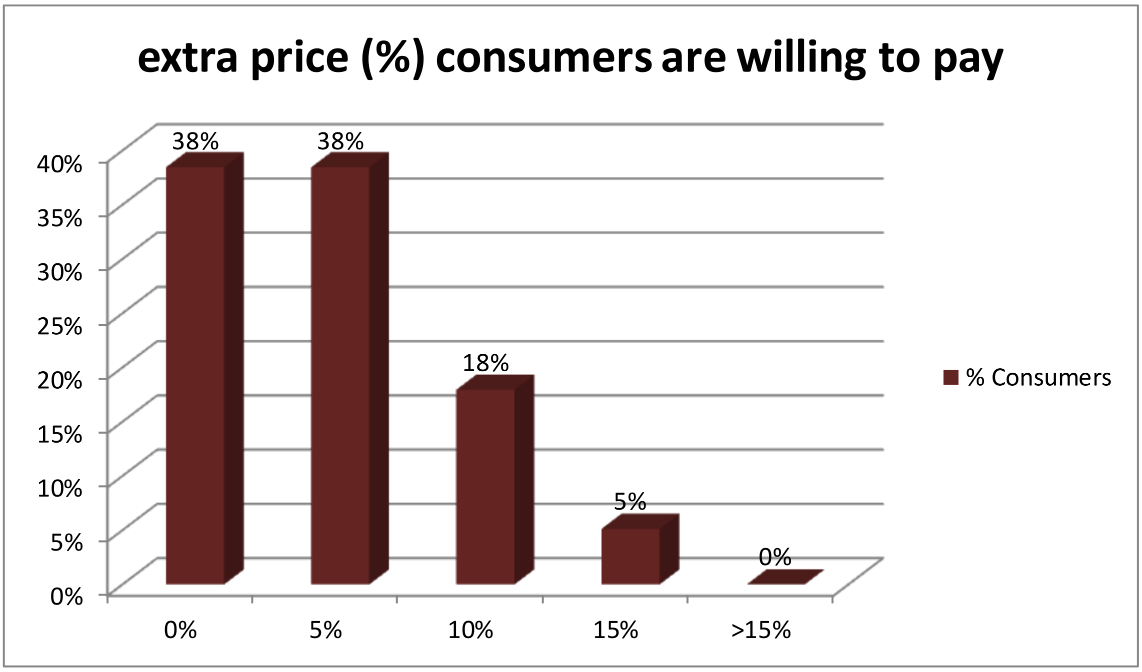
Appendix 8 – Visits to *Continente* from "Single Young Shoppers"



Appendix 9 – Ways of Shopping in *Continente*

	Convenience	On-line	Variety	Schedules	Flaws
Hyper-Mercado Continente	Low	NO	High	Monday - Saturday: 08h00 às 21h00 Domingo: 09h00 às 21h00	The time spent inside the store (parking + searching items + cashier)
Home Delivery	High	Yes	High	10h – 21h	If you order past 10:30 it's only delivered in the next day. Obliges you to stay at home at the delivery time Web site confusion
Contiente Drive	Medium	Yes	High	10h – 21h	If you order past 10:30 it's only delivered in the next day. Website Confusion

Appendix 10 – % of extra price that consumers are willing to pay to use C&D Continente



Appendix 11 – Market research (1)

1.Frequência & Tipo de Compras

1.1 Com que frequência costuma ir aos seguintes supermercados? *
Raramente (Mensalmente) ; Algumas vezes (Quinzenalmente) ; Com Frequência (Semanalmente) ; Com Muita Frequência (Mais que uma vez por semana)

	Nunca	Raramente	Algumas vezes	Com frequência	Com muita frequência
Continente (hipermercado)					
Continente Bom Dia					
Continente Modelo					
Pingo Doce					
Intermaché					
Lidl					
MiniPreço					
Jumbo					
Outros					

1.2 Quanto gasta em média em cada ida ao supermercado (em euros)? *
Indique em relação a todas as marcas (mesmo que a resposta seja 0)

	0	0-20	20-50	50-100	mais de 100
Continente (hipermercado)					
Continente Bom Dia					
Continente Modelo					
Pingo Doce					
Intermarchè					
Lidl					
MiniPreço					
Jumbo					
Outros					

2. Atributos & Caracteristicas

2.1 Qual o seu supermercado preferido? *

- Continente (hipermercado)
- Continente Bom Dia
- Continente Modelo
- Pingo Doce
- Intermarchè
- MiniPreço
- Jumbo
- Outros

2.2 Como valoriza as seguintas características quando escolhe o supermercado/hipermercado onde faz as suas compras? *
Classifique cada característica de acordo com a sua importância relativa

	Valorizo muito pouco	Valorizo pouco	Indiferente	Valorizo	Valorizo bastante
Preço					
Conveniência					
Qualidade dos Produtos					
Hábito (conheço bem a marca e estou familiarizado com os seus produtos)					
Promoções					
Qualidade dos serviços					
Imagem (confiança relativa à marca)					
Variedade de produtos e serviços					

2.3 Que atributo mais associa a cada uma das marcas? *
Escolha o atributo que melhor define cada marca

	Preço Baixos	Qualidade de Produtos e Serviços	Conveniência	Variedade	Promoções
Continente	○	○	○	○	○
Pingo Doce	○	○	○	○	○
Intermarchè	○	○	○	○	○
Lidl	○	○	○	○	○
MiniPreço	○	○	○	○	○
Jumbo	○	○	○	○	○

2.4 Qual a importância para si dos seguintes tipos de serviços? *

	Não utlitizo	Utilizaria se o serviço melhorasse (qualidade, preço, etc.)	Utilizo raramente	Utilizo frequentemente	Não conheço
Compras Online	○	○	○	○	○
Cartão de Desconto	○	○	○	○	○
Entrega ao Domicílio	○	○	○	○	○
Take-Away (refeição pronto a comer)	○	○	○	○	○
Aplicação para smartphones (compras por telemóvel, localização das lojas, promoções, etc.)	○	○	○	○	○

2.5 Classique em termos de relevância o peso dos seguintes tipos de produtos nos seus hábtios de consumo no sector alimentar *
Classifique cada tipo de produto de acordo com o peso no seu cabaz de compras

	Muito pouco relevante	Pouco relevante	Indiferente	Relevante	Muito relevante
Produtos em Promoção	○	○	○	○	○
Produtos Nacionais	○	○	○	○	○
Produtos de Marca Branca	○	○	○	○	○
Produtos Gourmet (qualidade superior)	○	○	○	○	○
Produtos frescos (frutas, vegetais, etc.)	○	○	○	○	○

3. Continente

3.1 - Como obtém informação sobre a marca Continente? *

- ○ TV
- ○ Rádio
- ○ Opiniões de Amigos
- ○ Folhetos Publicitários
- ○ Nas lojas Continente
- ○ Other: ____

3.2 Que influência tem a publicidade do Continente nas suas escolhas? *

- ○ Nenhuma
- ○ Pouca
- ○ Alguma
- ○ Muita

3.3 O que pensa relativamente às seguintes caracteristicas da marca Continente?

	Discordo Totalmente	Discordo	Concordo	Concordo Totalmente
As lojas são práticas	◯	◯	◯	◯
Existe uma boa relação qualidade/preço dos produtos	◯	◯	◯	◯
As lojas são convenientes (proximidade física)	◯	◯	◯	◯
A marca oferece boas promoções	◯	◯	◯	◯
Os serviços oferecidos são úteis	◯	◯	◯	◯
A expriência de compra é positiva (conforto)	◯	◯	◯	◯
Existe uma grande variedade de produtos	◯	◯	◯	◯

3.4 Conhece o cartão Continente?

◯ Sim

◯ Não

3.4.1 Se sim, sabe quais são as suas vantagens?

3.5 Já utilizou o serviço de compras Online Continente? *

◯ Sim

◯ Não

3.5.1 Se sim, como correu a expriência?

	1	2	3	4	5	
Muito Mal	◯	◯	◯	◯	◯	Muito Bem

3.6 De que forma avalia os produtos de marca branca Continente

	1	2	3	4	5	
Muito negativamente	◯	◯	◯	◯	◯	Muito positivamente

3.6.1 De uma forma geral como compara os produtos de marca branca Continente com os produtos de marca branca de outro grupos

(Como por exemplo do Pingo Doce, Intermarché,etc.)

	1	2	3	
Negativamente	◯	◯	◯	Positivamente

4 - Socio demograficos

4.1 - Idade *

◯ 20-29

◯ 30-39

◯ 40-49

◯ 50-59

◯ 60 ou mais

4.2 - Sexo *

- Masculino
- Feminino

4.3 Rendimento mensal líquido do agregado familiar *

- Inferior a 500€
- Entre 500€ e 999€
- Entre 1000€ e 1499€
- Entre 1500€ e 1999e
- Entre 2000 e 2499€
- Entre 2500€ e 3000€
- Superior a 3000€

4.4 - Distrito Residencial *

- Aveiro
- Beja
- Braga
- Bragança
- Castelo Branco
- Coimbra
- Évora
- Faro
- Guarda
- Leiria
- Lisboa
- Portalegre
- Porto
- Região Autónomo dos Açores
- Região Autónoma da Madeira
- Santarém
- Setúbal
- Viana do Castelo
- Vila Real
- Viseu

4.5 - Nível de escolaridade *

- Sem escolaridade
- Primária imcompleta
- Primária completa (4 anos de estudo)
- 2º Ciclo (6 anos de estudo)
- 3º Ciclo (9 anos de estudo)
- Secundário (12 anos de estudo)
- Ensino superior

4.6 - Situação profissional

- Estudante
- Empregado(a)
- Trabalhador estudante
- Desempregado(a)
- Reformado(a)
- Aposentado(a)

Appendix 12- Market Research (2) –Choose&Drive Continente

Q1 Bom dia/Boa tarde, estou a desenvolver uma tese de estratégia de comunicação para a marca Continente. Por isso, gostava de vos pedir que me respondessem a este questionário. Não demora mais de 2 minutos.

Q2 Com quem reside?

- ❍ Em casa dos pais (1)
- ❍ Sozinho (2)
- ❍ Com amigos (3)
- ❍ Com namorado/marido (4)
- ❍ Com irmãos (5)
- ❍ Outro (6) ____________________

If Em casa dos pais Is Selected, Then Skip To End of Survey

Q3 Tem filhos?

- ❍ sim,mas não vivo com eles (1)
- ❍ sim e vivo com eles (2)
- ❍ não (3)

If sim e vivo com eles Is Selected, Then Skip To End of Survey

Q43 Há quanto tempo vive fora de casa dos pais?

- ❍ recentemente (1)
- ❍ há cerca de 2 anos (2)
- ❍ há cerca de 5 anos (3)
- ❍ há cerca de 10 anos (4)

Q5 Porque decidiu viver sozinho?

- ❍ Devido à distância entre a residência dos pais/universidade (1)
- ❍ Devido à localização do local de trabalho (2)
- ❍ Necessidade de independência (3)
- ❍ Outro (4) ____________________

Q6 Costuma fazer as suas próprias compras (alimentação, produtos de banho, produtos de limpeza, etc.)

❍ sim (1)
❍ não (2)

If não Is Selected, Then Skip To End of Survey

Q7 Com que frequência costuma fazer estas compras no Continente?

	Nunca (1)	Raramente (2)	Mensalmente (3)	Quinzenalmente (4)	Semanalmente (5)
Continente (1)	❍	❍	❍	❍	❍

Q8 Dentro da lista de itens abaixo escolha os 15 produtos que mais costuma comprar?

❑ Açúcar (1)
❑ Arroz; Massas (2)
❑ Azeite; Óleo; Vinagre (3)
❑ Batatas Fritas & Snacks (4)
❑ Bolachas; Biscoitos (5)
❑ Cafés; Chás (6)
❑ Cereais (7)
❑ Chocolates (8)
❑ Conservas e Patés (9)
❑ Feijão e Grão (10)
❑ Leite (11)
❑ Mel e Compotas (12)
❑ Ovos (13)
❑ Gomas (14)
❑ Sopas (15)
❑ Temperos (16)
❑ Iogurtes (17)
❑ Água (18)
❑ Refrigerantes (19)
❑ Cerveja (20)
❑ Bebidas Brancas (21)
❑ Vinho (22)

- ❑ Legumes (27)
- ❑ Pão (28)
- ❑ Bolos (29)
- ❑ Refeições Prontas (30)
- ❑ Congelados (31)
- ❑ Shampoo (32)
- ❑ Sabonetes (33)
- ❑ Papel Higiénico (34)
- ❑ Desodorizante (35)
- ❑ Acessórios de Limpeza (36)
- ❑ Guardanapos e Rolos de Cozinha (37)
- ❑ Livros (38)
- ❑ Tabaco (39)
- ❑ Música e DVDs (40)

Q9 Se existisse um serviço no qual poderia escolher, pagar e receber os produtos sem sair do carro (através de um Drive-Through) pensaria em usá-lo?

- ❍ Sim (1)
- ❍ Não (2)

Q10 Quais seriam as maiores desvantagens neste serviço?

- ❑ Distância (visto que estaria ligado aos supermercados Continente) (1)
- ❑ Possível tempo de espera na fila de carros (2)
- ❑ Falta de confiança (3)
- ❑ Outro (4) ____________________

Q11 Que extra estaria disposto a oferecer por este produto?

- ❍ Nada (1)
- ❍ 5% (2)
- ❍ 10% (3)
- ❍ 15% (4)
- ❍ Mais de 15 % (5)

Q12 Como se desloca ao seu supermercado?

- ❍ De Carro (1)
- ❍ De Transportes Públicos (2)
- ❍ A pé (3)
- ❍ Outro (4) ____________________

Q13 Idade

- ❍ Menos de 18 (1)
- ❍ 18-25 (2)
- ❍ 25-30 (3)
- ❍ 30-40 (4)
- ❍ 40-55 (5)
- ❍ Mais de 55 (6)

Q14 Sexo

- ❍ Masculino (1)
- ❍ Feminino (2)

Q15 Onde Reside actualmente?

- ❍ Porto (1)
- ❍ Coimbra (2)
- ❍ Lisboa (3)
- ❍ Algarve (4)
- ❍ Outro (5)

Q16 Situação Profissional

- ❍ Estudante (1)
- ❍ Trabalhador estudante (2)
- ❍ Empregado (3)
- ❍ Desempregado (4)
- ❍ Reformado (5)
- ❍ Aposentado (6)
- ❍ Estagiário (8)

Q17 Sugestões/comentários